

for the conduct of campaigns directly in the hands of the candidates. Our legislation is not the solution for all of the problems now facing us, but I believe it is a good solid beginning to accomplish meaningful campaign finance reform.

After a series of hearings in the Senate Rules Committee this spring on campaign finance reform, we will now be able to put a bill on the Senate Calendar that has bipartisan support. If we are to accomplish comprehensive reform this year, bipartisan support is essential and our bill has that support.

While I was very pleased with the recent vote in Congress to require disclosure for the '527' organizations, that bill is not a substitute for more comprehensive campaign finance reform. It is a solution for a small problem. We need to continue to fight for campaign finance reform that is broader and more comprehensive.

I am hopeful that the full Senate will be able to debate comprehensive campaign finance reform legislation, including the Open and Accountable Campaign Financing Act of 2000, this year. We have an opportunity to achieve something reasonable and responsible this year.

Again, I would like to thank Senator MCCONNELL for holding hearings in the Rules Committee on campaign finance reform and helping move the process along. I look forward to working with him and all Senators interested in advancing campaign finance reform.

VICTIMS OF GUN VIOLENCE

Mr. WYDEN. Mr. President, it has been more than a year since the Columbine tragedy, but still this Republican Congress refuses to act on sensible gun legislation.

Since Columbine, thousands of Americans have been killed by gunfire. Until we act, Democrats in the Senate will read some of the names of those who lost their lives to gun violence in the past year, and we will continue to do so every day that the Senate is in session.

In the name of those who died, we will continue this fight. Following are the names of some of the people who were killed by gunfire one year ago today.

July 26:

Frederick Branch, 17, Memphis, TN; Kenny Curry, 30, Chicago, IL; Mendell Jones, 17, Baltimore, MD; Eduardo Lezcano, 36, Miami-Dade County, FL; Andre Moore, 21, Baltimore, MD; Kenneth Plaster, 52, Houston, TX; Mark Pringle, 18, Baltimore, MD; Carlton Valentine, 33, Baltimore, MD; Unidentified male, Detroit, MI.

We cannot sit back and allow such senseless gun violence to continue. The deaths of these people are a reminder to all of us that we need to enact sensible gun legislation now.

RUSSIAN WARHEADS/DOMESTIC SECURITY

Mr. MURKOWSKI. Mr. President, I rise today to discuss two issues of

great importance to our national security and our energy security—the agreement between the United States and the Russian Federation which provides for the conversion of Russian highly enriched uranium (HEU) derived from the warheads into fuel for civilian nuclear power plants, and the need for the United States to maintain a viable uranium enrichment capability.

First, let me give you a bit of history.

In 1992, the Energy Policy Act established the United States Enrichment Corporation as a wholly-owned government corporation to take over the Department of Energy's uranium enrichment enterprise. The Corporation was to operate as a business enterprise on a profitable and efficient basis and maximize the long-term valuation of the Corporation to the Treasury of the United States. The objective was to eventually privatize the Corporation as a viable business enterprise able to compete in world markets. Subsequently, the Corporation was selected as Executive Agent for, and entrusted with, the responsibility for carrying out the Russian HEU Agreement.

Enactment of the 1992 Act was the culmination of a decade of bipartisan effort spearheaded by Senators DOMENICI and Ford. Extensive hearings were held in both the House and the Senate and the legislation garnered the strong support of the Bush Administration.

Recognizing the complexity of privatization and the national security implications of the Russian HEU Agreement, Congress enacted the USEC Privatization Act of 1996. The Act provided the mechanics for privatization, clarified the relationship between a private USEC and the U.S. Government, and addressed concerns related to the implementation of the Russian HEU Agreement. The Corporation was sold in July of 1998.

Implementation of the Russian HEU Agreement has been important for the government and USEC. This government-to-government agreement facilitates Russian conversion of highly enriched uranium taken from their dismantled nuclear weapons into fuel purchased by USEC and resold for use in commercial nuclear power plants. The program is financed as a commercial transaction.

Every day, new warnings are heard about the ability of one rogue state or some well-financed terrorist to obtain weapons-grade nuclear materials on the black market. The Russian HEU Agreement addresses those concerns by converting thousands of nuclear warheads into fuel for electric power plants—the quintessential swords to plowshares concept. In spite of some start-up problems, implementation of the Agreement has resulted in the conversion of the equivalent of nearly 4,000 nuclear warheads into fuel for U.S. commercial power plants. The process, as well as purchases and shipments to USEC, continues.

From the outset, many felt there were built-in contradictions between

the objectives of maintaining a viable domestic uranium enrichment capability while controlling the disposal of former Soviet nuclear weapons. But, all things considered, the program to date has been a success. Without question our Nation's national security—our most important charge as lawmakers—has been enhanced by implementation of this Agreement.

Mr. President, the Russian HEU Agreement contributes to our Nation's security, but the Agreement also adversely affects the enterprise that makes this commercial solution to a national security problem possible. This difficulty was understood when the government adopted this program. Purchases of large quantities of Russian weapons derived material result in growing effects on the companies in the private sector domestic nuclear fuel cycle. Our uranium mining, conversion, and enrichment industries have been affected. The result has been steadily declining market prices for all phases of the nuclear fuel cycle. USEC, its plant workers, and the communities dependent upon those plants are being hit especially hard. As Executive Agent, USEC has suffered substantial losses due to fixed price purchases from Russia as well as increased costs due to reduced levels of domestic production resulting from introduction of the Russian material into the market.

Earlier this year, and with the support of the Administration, USEC had been negotiating with Russia to amend the Agreement to include market-based pricing. I have been advised that USEC closely coordinated its plans and intentions with the President's Interagency Enrichment Oversight Committee at all phases of its discussions with the Russians. Yet, as USEC and the Russians were meeting in Moscow to sign the new Agreement, the Department of Energy, a member of the Oversight Committee, prevented the signing at the last minute.

I can not understand why the Energy Department would prevent the adoption of an amendment that would stabilize the Agreement through the remaining thirteen years of the program. Reportedly the terms were acceptable to both parties. In addition, the Agreement would have protected the interests of our own domestic nuclear fuel industry. As part of the Agreement, Russia wanted USEC to purchase commercially produced enrichment in addition to the weapons derived enrichment. USEC negotiated terms consistent with a previous Administration approved program making it mandatory that this additional quantity be matched with domestically produced enrichment. In addition, no additional natural uranium would be brought into the domestic market. The amendment to the Agreement was specifically crafted so that no damage would be inflicted upon the domestic nuclear fuel cycle as a result of purchasing the additional material.

The Department of Energy's action threatens to destabilize the agreement.

Who knows how long the Russians will sit by without this Agreement. The National Security Council and the State Department and others on the Enrichment Oversight Committee have endorsed the signing of this Agreement. I strongly urge that it be completed. I suggest that those of us in the Congress who believe in the vital importance of this Agreement express our concern to the Administration and demand that the Energy Department withdraw its objection and that the Agreement be speedily signed.

As I mentioned, higher production costs, decreased demand, and lower world prices have hit USEC, our Nation's sole domestic uranium enricher, particularly hard. USEC's Form 10-Q filed with the Securities and Exchange Commission for the quarter ended March 31, 2000 noted that: "In February 2000, Standard & Poor's and Moody's Investors Service revised their credit ratings of USEC's long-term debt to below investment grade. The revised rating gives USEC the ability to discontinue its uranium enrichment operations at a plant. USEC is evaluating its options; however, a decision has not been made as to whether to close a plant, which plant would be selected or the timing of any closure." Finally, on June 21, the Board of Directors of USEC Inc. voted to cease uranium enrichment operations in June 2001 at the Portsmouth gaseous diffusion plant in Piketon, Ohio, and to consolidate all enrichment operations at its Paducah, Kentucky production plant. USEC maintained that it could not sustain current operations at two production plants, each of which is currently operating at only 25 percent of capacity. The company said that its production costs were too high and that the termination of operations at Portsmouth would save upwards of \$55 million in fixed costs annually.

USEC's decision to close a plant comes as no surprise. For over a year, there has been speculation within the Clinton Administration, the energy industry, the media and on Capitol Hill that USEC would be forced to consolidate its uranium enrichment production.

Mr. James R. Mellor, Chairman of USEC's Board of Directors was quoted in a news release as saying: "The decision to cease enrichment at one of our facilities was necessary given the business challenges facing the uranium enrichment industry . . . Mr. Mellor went on to say: "Choosing to close the Portsmouth plant was an extremely difficult decision because of the impact it will have on the lives of many of our workers, their families and the communities surrounding the plant."

USEC cited multiple factors in determining which plant would close. Key elements in USEC's analysis included "long-term and short-term power costs, operational performance and reliability, design and material condition of the plants, risks associated with meeting customer orders on time, and

other factors relating to assay levels, financial results, and new technology issues."

I know that my colleagues from Ohio are deeply disturbed by USEC's decision to close the Portsmouth plant. I also know that if the company had chosen to cease operations at Paducah, my friends from Kentucky would be equally distraught. Plant closures are serious matters, particularly when they are the mainstay of the local economy. The public record is clear that technological advances in uranium enrichment were rapidly overtaking the gaseous diffusion process as an economic method of enriching uranium. Make no mistake, the Portsmouth and Paducah gaseous diffusion plants were and continue to be extraordinary engineering, design, and construction achievements—matched only by the dedication and skill of the men and women who have made the plants work—work, 24 hours a day—work, seven days a week—work, continuously for over 45 years without a stop, without a break in service—until now. It was inevitable that this would happen someday, but knowing that it will happen does not make it any easier.

The only person who seemed to be caught by surprise and unprepared to deal with the closure was the Secretary of Energy. Certainly, he must have known that USEC was preparing to make an announcement. He must have been aware that, as part of the 1996 USEC Privatization Act, the Department of Energy—not the company—would be responsible for decommissioning, decontamination and clean-up of the plants and the sites as well as for workforce disposition.

In fact, in a June 19, 2000 letter to Mr. William H. Timbers, USEC's president and chief executive officer, the Secretary of Energy asked if the company was planning to close either one of its uranium production facilities. In response, Mr. Timbers wrote on June 20, 2000, that "during our last meeting, I indicated to you, and reiterated in subsequent meetings with your staff, that it is inevitable that USEC must close one of its enrichment facilities." Mr. Timbers added that "During the last eight months, we have presented numerous proposals—still pending before you—to accomplish [transition]. But, DOE has yet to make a decision. We have also engaged in discussions with PACE union leadership aimed at advancing these efforts. We are still ready and eager to translate these discussions into actions and look forward to the prospect of working with DOE to adopt a program to minimize the employment disruption associated with ensuring a financially sound USEC under today's market conditions."

The next day, when USEC announced that its Board of Directors had voted to close the Portsmouth facility, the best the Nation's Secretary of Energy could come up with was the following statement: "I am extremely disappointed by [USEC's] decision today

to close the uranium enrichment plant at Portsmouth. First and foremost, I am very concerned about the effect this closure will have on USEC workers. Many of these men and women spent their entire working lives helping our nation win the Cold War. They deserve better treatment. . . ."

For once, Secretary Richardson and I agree. The workers do deserve better. But rather than threatening USEC, as the Secretary of Energy did when he recommended "serious consideration of replacing USEC as executive agent" for the Russian HEU Agreement, he should have been drafting a plan to assist the workers in Portsmouth to make the transition from operating the Department of Energy owned gaseous diffusion plant to cleaning up the site. This is an environmental restoration mission that is likely to take many years. We are all aware of the environmental contamination at the plants and the desperate need for action to restore them to reasonable environmental condition.

When Congress created the United States Enrichment Corporation as part of the 1992 Energy Policy Act, and when we later passed the 1996 USEC Privatization Act, we recognized that a privately owned USEC could better respond to the needs of the marketplace and thereby sustain a viable domestic uranium enrichment capability. Now that USEC has taken what it believes is a necessary step to ensure that it can compete in the world uranium enrichment marketplace, the first response by the Secretary of Energy is to second-guess the company's intentions and actions. Apparently the Secretary would keep facilities open regardless of the fundamental laws of economics that are evident to even the most modest businesses.

It has been suggested that the solution is to nationalize USEC—to have the government buy it back. I have no sympathy for such a proposal. While I am sympathetic to those who will be affected by the closure of Portsmouth, I do not believe that a return to the past is the remedy that will provide for a competitive domestic uranium enrichment capability in the future. I do not favor an appropriation of substantial sums, perhaps well over a billion dollars to buy USEC back, nor do I favor the then obligatory commitment to annually appropriate funds to make up for uneconomic operations.

It has been only two years since we privatized USEC. On the one hand the Congress and the Administration made an extraordinary effort to provide a private USEC with a strong foundation for a successful private enterprise competing in world markets—in the words of the '96 Act " . . . in a manner that provides for the long-term viability of the Corporation . . . " But at the same time, contradictory restraints imposed on the Corporation detract from its ability to compete. In retrospect, perhaps Congress and the Administration should not have placed so many burdens on USEC as it faced private sector

dynamics and demands. Ensuring that the vital national security interests of the United States are protected is paramount, but preserving the competitiveness of our domestic uranium enrichment capability—at minimal costs to the federal government—is important too. We need to stop thinking of USEC as a Federal agency and respect it for what it is—a private business enterprise.

Challenges remain in the implementation of the Russian HEU Agreement and the long-term viability of the domestic uranium enrichment enterprise. These have proven to be complex, and at times conflicting tasks, but I believe that the National interest more than justifies our continued efforts to see these programs through to a successful conclusion. As part of these efforts we should encourage the Clinton Administration to approve the market-based pricing amendment to the Russian HEU Agreement. Now is also the time to secure a future for the workers in Portsmouth who face plant closure. We need to help them achieve their third transition—from Cold War patriots, to peacetime producers of fuel, to the task of environmental restoration.

Thank you, Mr. President.

OMNIBUS LONG-TERM CARE ACT OF 2000

Mr. BAYH. Mr. President, I rise today as an original cosponsor of the "Omnibus Long-Term Care Act of 2000." This bill brings together very important initiatives for making long-term care more affordable for Americans. In particular, this bill contains a \$3,000 tax credit for caregivers and a tax deduction for the purchase of long-term care insurance.

There are over 22 million people providing unpaid help with personal needs or household chores to a relative or friend who is at least 50 years old. In Indiana alone, there are 568,300 caregivers. The government spent approximately \$32 billion in formal home health care costs and \$83 billion in nursing home costs. If you add up all the private sector and government spending on long-term care it is dwarfed by the amount families spend caring for loved ones in their homes. As a study published by the Alzheimers Association indicated, caregivers provide \$196 billion worth of care a year.

As a member of the Special Committee on Aging, I held a field hearing in Indiana on making long-term care more affordable. At this hearing, I learned first hand the importance of this tax credit. Jerry and Sue Cahee take care of Jerry's mother who has Alzheimers. At the hearing Jerry Cahee shared the following: "Mother is a wonderful and friendly person to everyone—except her caregivers. We have discovered that life, aging, and illness are not fair. We have discovered that love is hard—that love is not enough to make the difference. We know that memories are all that we have left of

the happy times in Mother's life. To care for her, make her last days comfortable, to meet her ever increasing medical needs, to offer her the security of a loving safe home, and to let her know that she is loved—these things have become our purpose for living. The financial drain has been difficult, the emotional strains are enormous."

Paul Severance, the Director of United Senior Action, a senior advocacy group in Indiana represented his constituency at the hearing when he stated "The burden on families who are trying to provide long-term care at home is tremendous; they typically face substantial expenses for special care, such as nursing visits, they often have lost wages because of the demands of caring for a loved one; and there can be a great cost to their own health as a result of the constant demands of caregiving."

In addition to the tax credit, a deduction for the purchase of long-term care insurance makes it more affordable for Americans to purchase long-term care policies that can provide them with the coverage they will need. Congress needs to continue to explore ways in which to ensure long-term care options are available for all Americans.

I am encouraged by the introduction of this bill and the bipartisan support it has received. It is my hope that we can work together to implement this legislation and make it more affordable for seniors to receive long-term care. I urge my colleagues to support this bill.

FCC REGULATION OF PAY PHONES

Mr. BURNS. Mr. President, in the four years since the passage of the Telecommunications Act of 1996, dramatic changes have occurred in our telecommunications markets. We have seen competitive environments in such areas as wireless communication and long distance service. Advanced telecommunications services have great potential for deployment in the near term, if only the Federal Communications Commission would more aggressively promote them. All of this change is occurring in the context of an explosion of information technologies and the Internet.

Yet the '96 Act dealt with much more than the high tech changes we read so much about these days. The legislation was designed to transform the entire telecommunications industry under the leadership of the FCC, to the benefit of all consumers. And the Act was designed to ensure that all Americans could have access to the vast array of services the Act will stimulate.

Today I would like to briefly address one aspect of the '96 Act that is often overlooked in the glamour of "high-tech." Public payphones are a critical piece of this access. For millions of Americans, public payphones are the only access to the telecom network. And when the batteries or the signal for the wireless device fail, public

payphones are a reliable source of inexpensive access, in an emergency or otherwise. Public payphones are emerging as public information portals, true on-ramps to the information highway, available to anyone at anytime.

In order to ensure that these instruments of public access would continue serving as gateways of last resort and continue evolving using new technologies, the issue of adequate compensation for pay phone operators was addressed by the '96 Act. This requirement of the '96 Act was designed to promote fair competition and benefit consumers by eliminating distorting subsidies and artificial barriers. However, the law has not been successfully implemented, and I am calling on the FCC to act expeditiously to address this regulatory oversight. Payphones are an important segment of the telecommunications industry, especially in low income neighborhoods and in rural areas like those in my home state of Montana.

Local telephone companies operated payphones as a legal monopoly until 1984, when an FCC ruling mandated that competitors' payphones be interconnected to local networks. Still, local telephone companies were able to subsidize their payphone service in competition with independent payphones. The '96 Act was designed to change all of this. It was designed to create a level playing field between all competitors and to encourage the widespread deployment of payphones. It did this by requiring local telephone companies to phase out subsidies; by mandating competitive safeguards to prevent discrimination by the ILECs and ensure fair treatment of competitors when they connect to local systems; and by assuring fair compensation for every call, including so-called "dial around" calls which bypass the pay phones' traditional payment mechanism.

Yet the basic requirements of the '96 Act are not being implemented by the FCC to assure fair competition. Pay phone operators are not being compensated for an estimated one-third of all dial-around calls, particularly when more than one carrier is involved on long distance connections. An industry proposal to remedy this situation has been pending at the FCC for more than a year without any action being taken. And the FCC also needs to bring to a hasty resolution the issue of the appropriate line rate structure for payphone providers. Today, there are about 2.3 million pay phones nationwide. While all payphones are threatened by the gaps in dial-around payments, 600,000 of them are independently owned and are under particularly intense pressure; many small payphone operators now find themselves being forced to pull payphones or go out of business altogether. They are also in need of certainty regarding the rates they pay the telephone companies. This situation should not exist more than four years after the enactment of the 1996 legislation.